the decision to the Secretary of Veterans Affairs by filing a notice of appeal with the Secretary in accordance with this section.

- (b)(1) A notice of appeal may be filed at any time within 30 days after the ALJ issues an initial decision. However, if another party files a motion for reconsideration under §42.8 of this part, consideration of the appeal shall be stayed automatically pending resolution of the motion for reconsideration.
- (2) If a motion for reconsideration is timely filed, a notice of appeal may be filed within 30 days after the ALJ denies the motion or issues a revised initial decision, whichever applies.
- (3) The Secretary may extend the initial 30 day period for an additional 30 days if the defendant files with the Secretary a request for an extension within the initial 30 day period and shows good cause.
- (c) If the defendant files a timely notice of appeal with the Secretary, and the time for filing motions for reconsideration under §42.38 of this part has expired, the ALJ shall forward the record of the proceeding to the Secretary.
- (d) A notice of appeal shall be accompanied by a written brief specifying exceptions to the initial decision and reasons supporting the exceptions.
- (e) The representative for the Government may file a brief in opposition to exceptions within 30 days of receiving the notice of appeal and accompanying brief.
- (f) There is no right to appear personally before the Secretary.
- (g) There is no right to appeal any interlocutory ruling by the ALJ.
- (h) In reviewing the initial decision, the Secretary shall not consider any objection that was not raised before the ALJ unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection.
- (i) If any party demonstrates to the satisfaction of the Secretary that additional evidence not presented at the hearing is material and that there were reasonable grounds for the failure to present the evidence at the hearing, the Secretary shall remand the matter

to the ALJ for consideration of such additional evidence.

- (j) The Secretary may affirm, reduce, reverse, compromise, remand, or settle any penalty or assessment, determined by the ALJ in any initial decision.
- (k) The Secretary shall promptly serve each party to the appeal with a copy of the decision of the Secretary and a statement describing the right of any person to seek judicial review.
- (1) Unless a petition for review is filed as provided in 31 U.S.C. 3805 after a defendant has exhausted all administrative remedies under this part and within 60 days after the date on which the Secretary serves the defendant with a copy of the Secretary's decision, a determination that a defendant is liable under §42.3 of this part is final and is not subject to judicial review.

§42.40 Stays ordered by the Department of Justice.

If at any time the Attorney General or Assistant Attorney General designated by the Attorney General transmits to the Secretary a written finding that continuation of the administrative process described in this part with respect to a claim or statement may adversely affect any pending or potential criminal or civil action related to the claim or statement, the Secretary shall stay the process immediately. The Secretary may order the process resumed only upon receipt of the written authorization of the Attorney General

§ 42.41 Stay pending appeal.

- (a) An initial decision is stayed automatically pending disposition of a motion for reconsideration or of an appeal to the Secretary.
- (b) No administrative stay is available following a final decision of the Secretary.

§ 42.42 Judicial review.

Section 3805 of title 31 U.S.C., authorizes judicial review by an appropriate United States District Court of a final decision of the Secretary imposing penalties or assessments under this part and specifies the procedures for the review